

**UTAH STATE TAX COMMISSION**  
**NOTICE OF PROPOSED NEW RULE OR RULE CHANGE**

The proposed rules were submitted to the State of Utah Division of Administrative Rules on January 28, 2010.

**Proposed Rules or Change:**

**Rule Number:** R865-9I-13

**Title:** Nonresident's Share of Pass-Through Entity Income Pursuant to Utah Code Ann. Sections 59-10-116, 59-10-117, 59-10-118, 59-10-1403.2 and 59-10-1405.

**Summary:** **The proposed amendment clarifies that a pass-through entity is not required to withhold income tax on behalf of a pass-through entity taxpayer that is exempt from tax under Section 59-7-102.**

**Rule Number:** R865-9I-44

**Title:** Compensation Received by Nonresident Professional Athletes Pursuant to Utah Code Ann. Sections 59-10-116, 59-10-117, and 59-10-118.

**Summary:** **The proposed amendment provides that professional athletic teams are required to withhold Utah income tax from their nonresident team members. This is a change from the prior language that allowed a team member to elect to have the team withhold tax from the team member. In addition, the amendment reorganizes the structure of the rule and deletes language that no longer applies.**

**Rule Number:** R865-9I-56

**Title:** Determination of Amounts Withheld by a Pass-through entity that is an S Corporation Pursuant to Utah Code Ann. Section 59-10-116, 59-10-117, 59-10-118, 59-10-1403.2 and 59-10-1405 .

**Summary:** **The proposed amendment clarifies that a pass-through entity is not required to withhold income tax on behalf of a pass-through entity taxpayer that is exempt from tax under Section 59-7-102.**

**Rule Number:** R865-12L-5

**Title:** Place of Sale Pursuant to Utah Code ann. Section 59-12-207.

**Summary:** **Rule is repealed.**

**Rule Number:** R865-12L-6

**Title:** Place of Transaction Pursuant to Utah Code Ann. Section 59-12-207.

**Summary:** **Rule is repealed.**

**The Public comment on these rules will end on 3/17/2010. These proposed rules were published in the Utah State Bulletin and posted on our website at [www.tax.utah.gov](http://www.tax.utah.gov).**

Public comments on these rules can be addressed to the attention of Commissioner Michael Cragun and emailed to [taxrules@utah.gov](mailto:taxrules@utah.gov), faxed to 801-297-3919, or mailed to The Office of the Commission, Utah

State Tax Commission, 210 N. 1950 W. Salt Lake City, Utah 84134. For questions, please call Cheryl Lee at 297-3900. Full text of rules can be found at [www.tax.utah.gov](http://www.tax.utah.gov). If you would like to receive notice of future rule items, email [clec@utah.gov](mailto:clec@utah.gov) with your name, email address and request to be added to the Tax Commission rules list server.

Those who need special accommodations in accordance with the American Disabilities Act may call (801) 297-3811. Please give up to three working days notice to arrange accommodations. Hearing impaired callers may call the Telecommunication Device for the Deaf (TDD) at (801) 297-3819.

A copy of this notice was posted in the front foyer of the Tax Commission Building, Salt Lake City, Utah and on the Tax Commission Website at [www.tax.utah.gov](http://www.tax.utah.gov). The Commission public information officer also provided copies of this notice for the news media via electronic transmission.

**Posted 1/28/2010**